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11 **UNITED STATES BANKRUPTCY COURT**

12 **CENTRAL DISTRICT OF CALIFORNIA – SANTA ANA DIVISION**

13 In re

Case No. 8:25-bk-10542-SC

Chapter 11

14 MOWBRAY WATERMAN PROPERTY,
15 LLC,

CHAPTER 11 STATUS REPORT

16 Debtor and Debtor-in-
17 Possession.

Status Conference:

Date: June 24, 2025

Time: 1:30 p.m.

Ctrm: 5C

411 West Fourth Street
Santa Ana, CA 92701

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Los Angeles, California 90064
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1 **TO THE HONORABLE SCOTT C. CLARKSON, UNITED STATES BANKRUPTCY**
2 **JUDGE:**

3 Mowbray Waterman Property, LLC, the debtor and debtor-in-possession in the above-
4 captioned Chapter 11 case (the “Debtor”), hereby submits this chapter 11 status report.

5 **I. BACKGROUND**

6 **A. The Debtor’s Business and Principal Assets and Liabilities**

7 The Debtor owns five real properties in California (two of which are income-generating)
8 collectively valued at approximately \$10,000,000 and generating approximately \$60,000 in monthly
9 revenue. The Debtor has two secured creditors, Bank of the Sierra (“BOTS”), in connection with a
10 loan for \$2,990,000 on one of its properties, and PNC Bank, as explained below. Robin Mowbray, a
11 debtor in bankruptcy case no. 8:25-bk-10543-TA is the Debtor’s managing member and 51% owner,
12 with the remaining 49% owned by the Gloria Mowbray Separate Property Trust, a special needs trust
13 of which Robin Mowbray is the Trustee, and her father, John Mowbray is the beneficiary. The Debtor
14 has no employees but contracts with Robin Mowbray to provide various management services.

15 **B. Events Leading to this Case**

16 The Debtor is a defendant in litigation brought by Ronnie Jordan. Ronnie Jordan was the prior
17 chief executive officer of The Original Mowbray’s Tree Service, Inc. (“MTS”) (of which Ms.
18 Mowbray is the 100% owner) and in addition to seeking damages against MTS, is also seeking
19 damages against the Debtor, claiming to have also been employed by the Debtor. MTS is a debtor in
20 case no. 8:24-bk-12674-TA.

21 In addition, in connection with an agreement by PNC Bank to forbear on secured debt of MTS,
22 on July 18, 2024, the Debtor, which had already guaranteed MTS’s obligations to PNC Bank, granted
23 PNC Bank a security interest in two of its real properties (which are not income-producing).

24 The Debtor was compelled to file the above captioned Chapter 11 Case (the “Case”) to protect
25 its business and the value of its estate for all stakeholders, while restructuring the Debtor’s legitimate
26 obligations in an orderly and fair and equitable manner.

27 **II. COMPLIANCE WITH STATUTORY REQUIREMENTS**

28 The Debtor is in compliance with all of its duties under 11 U.S.C. §§ 521, 1106 and 1107.

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1 The Debtor timely filed its schedules and statement of financial affairs on March 5, 2025. [Dkt
2 No. 14.] The Debtor’s 341(a) meeting of creditors began on March 27, 2025, was continued to May
3 22, 2025, and later concluded. [Dkt Nos. 34, 74.]

4 The Debtor provided the initial 7-day package documents required by the Office of the United
5 States Trustee (“OUST”) on March 10, 2025, and subsequently provided all other documents and
6 information required by the OUST. The Debtor also recently closed its pre-petition bank account in
7 compliance with its stipulation with the OUST.

8 The Debtor has filed all required Monthly Operating Reports.

9 **III. 13-WEEK CASH FLOW AND CASH COLLATERAL**

10 BOTS has a security interest in the Debtor’s real property located at 686 E. Mill Street, San
11 Bernardino, CA 92415 and a right to the rent proceeds generated thereby. However, the Debtor
12 requires the use of such cash collateral, as that term is defined in section 363 of the Bankruptcy Code
13 (“Cash Collateral”), to pay reasonable and necessary expenses of operating the Debtor’s business and
14 administering its Case. Accordingly, on March 17, 2025, the Debtor and BOTS entered into a cash
15 collateral stipulation (the “Cash Collateral Stipulation”), which, among other things, authorized the
16 Debtor to use Cash Collateral consistent with the budget attached to the Cash Stipulation (the “13-
17 Week Cash Flow”). [Dkt No. 24.] An order approving the Cash Collateral Stipulation was entered
18 by the Court on March 25, 2025. [Dkt No. 27.]

19 Through June 13, 2025, the Debtor’s operating cash flow and cash on hand were moderately
20 better than the amounts projected in its 13-Week Cash Flow. The Debtor’s cash on hand was
21 approximately \$83,786 versus the forecasted amount of \$70,365. However, any fluctuations are
22 solely a result of a timing issue, and the Debtor does not anticipate any significant changes to its
23 operating cash flow and cash on hand.

24 **IV. RETAINED PROFESSIONALS**

25 On March 13, 2025, the Debtor filed its application to employ Elkins Kalt Weintraub Reuben
26 Gartside LLP as General Bankruptcy Counsel (the “Elkins App.”). [Dkt No. 22.] On April 8, 2025,
27 the Court entered an order approving the Elkins App. [Dkt No. 41.]

28 On March 26, 2025, the Debtor filed its application to employ Lee & Associates Walnut Creek

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Commercial Real Estate Services, Inc. and Lee & Associates Commercial Real Estate Services, Inc. - Riverside as real estate brokers to market, and sell, subject to Court approval, the properties located at 386 Allen St., San Bernardino, CA (“Allen St.”) and 9546 Elder Creek Rd., Sacramento, California, 95829-9306 (“Elder Creek”). [Dkt No. 33.] On April 28, 2025, the Court entered an order approving the Debtor’s application to employ these brokers. [Dkt. No. 61.]

On April 23, 2025, the Debtor filed its application to employ Keller Williams Realty Tulare County (“KW”) as its real estate broker to market, and sell, subject to Court approval, the property located at 17332 Millwood Dr., Visalia, CA 93292 (“Millwood”) [Dkt. No. 58.] On May 22, 2025, the Court entered an order approving the Debtor’s application to employ KW. [Dkt. No. 70.]

The Debtor’s plan likely will entail the Debtor liquidating certain real property assets and to that end, the Debtor has sought and obtained approval of the employment of brokers to accomplish that liquidation. The Debtor has received an offer for the purchase of Allen St., and plans to file a motion for approval of a sale of that property (subject to overbid) at the conclusion of the buyer’s due diligence period.

The Debtor anticipates filing a motion to employ professionals utilized in the ordinary course of business before the status conference.

V. UNEXPIRED LEASES AND CONTRACTS

The Debtor does not have unexpired leases where it is a tenant. The Debtor intends to assume or reject any executory contracts in connection with the confirmation of its plan of reorganization.

VI. CLAIMS BAR DATE

On May 15, 2025, the Debtor filed a *Notice of Bar Date for Filing Proofs of Claim in a Chapter 11 Case*, which set July 14, 2025, as the general claims bar date for non-governmental entities. [Dkt. No. 65.]

VII. DISCLOSURE STATEMENT AND PLAN

The Debtor has been working closely with its affiliate, MTS, on plan issues that are common to both estates, such as the claims of PNC Bank, N.A., and the disputed litigation claim of MTS’s former chief executive officer, Mr. Jordan (who asserts the largest unsecured claim against the Debtor’s estate). The Debtor has had preliminary discussions with Mr. Jordan’s counsel and provided

documents requested by Mr. Jordan's counsel in informal discovery. Finally, the Debtor's counsel has had a preliminary discussion with counsel for the examiner appointed in MTS's case regarding the terms of coordinated (if not joint) plan(s) of reorganization by the Debtor, MTS, and the principal of both – Robin Mowbray (the debtor in Case No. 8:25-bk-10543-SC).

The Debtor intends to await the publication of the report of the examiner appointed in MTS's case before filing its plan. That report is due on July 14, 2025.

The Debtor intends to file a motion to extend the exclusivity deadlines by 90 days.

VIII. AVOIDANCE ACTIONS

The Debtor presently is aware of one potential avoidance action – namely, an action to avoid the transfer of a residential real property located at 1515 Lucas Ln., Redlands, CA 92374, which property was transferred to Mr. Jordan approximately one year prior to the Petition Date. The Debtor will address this potential avoidance action either prior to the filing of a plan or in conjunction with its plan, and therefore requests that the Court not set a deadline for the filing of avoidance actions at this time.

DATED: June 13, 2025

ELKINS KALT WEINTRAUB REUBEN
GARTSIDE LLP

By:



ROYE ZUR
LAUREN GANS
Attorneys for Debtor and Debtor-in-Possession
Mowbray Waterman Property, LLC

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PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is:
10345 W. Olympic Blvd., Los Angeles, CA 90064

A true and correct copy of the foregoing document entitled (*specify*): **CHAPTER 11 STATUS REPORT** will be served or was served **(a)** on the judge in chambers in the form and manner required by LBR 5005-2(d); and **(b)** in the manner stated below:

1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF): Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On (*date*) June 13, 2025, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

- **Kenneth J Catanzarite** kcatanzarite@catanzarite.com
- **Lauren N Gans** lgans@elkinskalt.com, lmasse@elkinskalt.com
- **Jessica L Giannetta** jessica@giannettaenrico.com, melanie@giannettaenrico.com
- **Queenie K Ng** queenie.k.ng@usdoj.gov
- **Todd C. Ringstad** becky@ringstadlaw.com, arlene@ringstadlaw.com
- **Ahren A Tiller** ahren.tiller@blc-sd.com, 4436097420@filings.docketbird.com; brett.bodie@blc-sd.com; anika@blc-sd.com; derek@blc-sd.com; kreyes@blc-sd.com; megan@blc-sd.com; nicole@blc-sd.com; danny@blc-sd.com; angie@blc-sd.com; kreyes@blc-sd.com
- **United States Trustee (SA)** ustpregion16.sa.ecf@usdoj.gov
- **Roye Zur** rzur@elkinskalt.com, lwageman@elkinskalt.com; 1648609420@filings.docketbird.com; rzur@ecf.courtdrive.com; lmasse@elkinskalt.com

☐ Service information continued on attached page

2. SERVED BY UNITED STATES MAIL:

On (*date*) June 13, 2025, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

☐ Service information continued on attached page

3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL (*state method for each person or entity served*): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on (*date*) June 13, 2025, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

Honorable Scott C. Clarkson
United States Bankruptcy Court
Ronald Reagan Federal Building and Courthouse
411 West Fourth Street, Suite 5130 / Courtroom 5C
Santa Ana, CA 92701-4593

☐ Service information continued on attached page

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

June 13, 2025
Date

Lauren B. Wageman
Printed Name

/s/ Lauren B. Wageman
Signature

This form is mandatory. It has been approved for use by the United States Bankruptcy Court for the Central District of California.